

(TOP SECRET)

AGREEMENT ON THE PARTICULARS REGARDING THE ENFORCEMENT OF THE TRADE TREATY AND  
PAYMENT AGREEMENT BETWEEN JAPAN AND GERMANY

AGREEMENT FOR ENFORCEMENT

In order to conform with the provisions of the Trade Treaty signed between Japan and Germany in Berlin today, and in order to supplement the Payment Agreement of the same date, the undersigned have concluded the following articles on the Particulars regarding the enforcement of the above Treaty and Agreement.

Article I.

(I) The Government of Japan and the Government of Germany shall issue necessary permits for the importation of and payment for goods whose items and prices are given in lists A and B of the appendix under "Ordinary transactions" provided in Article I of the Trade Treaty. During the term of the Trade Treaty, the governments of both countries shall maintain the ratio of four to one between Japan's total export to Germany and Germany's total export to Japan made under "Ordinary transactions" and the goal during each year of the term of agreement shall be set at a total of ¥160,000,000 for the former and a total of ¥40,000,000 for the latter calculated on C.I.F. basis.

(II) Three-fourths of the payment due to German goods imported to Japan under "Ordinary transactions" shall be made through free foreign exchange according to the provisions of Article I, paragraph 1, of the Payment Agreement and one-fourth of the payment shall be liquidated according to the provisions of Article I, paragraphs 2 and 3, of the Payment Agreement. In order to ensure the above ratio, each permit of payment shall be issued so as three-fourths shall be paid through foreign exchange and one-fourth from the "Reich Mark" Special account No. 1.

(III) Regarding the application of Article I of the Trade Treaty, Article I of the Payment Agreement and (I) of the present Article, payments to be made, during the term of validity of the Trade Treaty in relation to the importation of German goods into Japan shall be performed according to the provisions of (II) of the present Article, regardless of the date of issue of the payment permit, date of order or date of shipment, and shall be included within the calculations of (I) of the present Article. However, the case is not applicable where payment is made under "Special transactions."

(IV) When part of the payment for German goods imported into Japan under "Ordinary transactions" is made from the blocked "Reich Mark" account, the remaining part shall be paid and liquidated according to the provisions of (II) of the present Article and shall be included in the calculations of (I) of the present Article.

Article III.

(I) The items and prices of the Japanese products that shall be liquidated according to the provisions of Article V of the Payment Agreement are listed in Appendix (C), and the items and prices of the German goods, payment for which shall be settled by liquidation against the above-named Japanese goods, are listed in Appendix (D). The items and prices of Japanese goods, payment for which shall be made according to the provisions of Article VI of the Payment Agreement, are listed in Appendix (E), and similarly, the items and prices of German goods, payment for which shall be made according to the above provisions, are listed in Appendix (F).

(II) The amounts of Japanese and German goods which shall be liquidated according to the provisions of Article V of the Payment Agreement, shall each not exceed ¥10,000,000, calculated on B.I.F. basis, during each year of the term of agreement.

(III) The amount of German goods, payment for which shall be made according to the provisions of Article VI of the Payment Agreement, shall not exceed ¥200,000,000, calculated on B.I.F. basis, during the space of two years of the term of agreement.

(IV) Regarding the "Ordinary transactions" provided in Article VI of the Payment Agreement, orders for German goods listed in Appendix (F) from Japan may be issued to the amount of ¥10,000,000, calculated on the B.I.F. basis during the first year of the agreement.

(V) Payment permit for Japanese goods listed in Appendix (C) and (D) shall be issued so that payment can be made into "Reich Mark" Special Account No. 1 and No. 2 respectively. As regards to payment for German goods, payment for payment shall be issued so that payment can be made from "Reich Mark" Special Account No. 2, provided that the goods mentioned above are listed in Appendix (D). If the mentioned goods are listed in Appendix (E), permits shall be issued so that one-half of the payment can be made from "Reich Mark" Special Account No. 3 and the other one-half from "Reich Mark" Special Account No. 4.

(VI) If the term for payment for German goods, listed in Appendix (F) ordered during the term of the Trade Treaty arrives at full time after the expiration of the Treaty above-mentioned, the said payment may be made on the basis of the provisions set down in Article VI of the Payment Agreement.

Article III.

The representatives of the Governments of both countries, who shall meet in Tokyo in accordance with the provisions of Article VII of the Trade Treaty, shall deal mainly with matters concerning imports to Japan from Germany. The representatives, who shall meet in Berlin, shall deal with matters concerning imports to Germany from Japan as well as matters concerning credit and "Reich Bank" Special Accounts Nos. 1, 2, 3 and 4.

Article IV.

The present Agreement shall be effective from the day the Trade Treaty comes into effect, and shall remain valid for the same duration as the said Treaty.

Done in duplicate in Japanese and German, of which both are of equal authority, in Berlin, this ... day of the 14th year of Showa, corresponding to ... 1939.